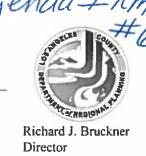


Los Angeles County Department of Regional Planning

Planning for the Challenges Ahead



February 18, 2016

TO:

Stephanie Pincetl, Chair

Doug Smith, Vice Chair

David W. Louie, Commissioner Curt Pedersen, Commissioner Pat Modugno, Commissioner

FROM:

Michele Bush MX

Zoning Permits East Section

Project No. R2014-02389-(4) – Conditional Use Permit No. 201400111 RPC Meeting: February 24, 2016

The above-mentioned item is a request to authorize the construction and maintenance of a 50-foot-high unmanned monoeucalyptus wireless telecommunications facility.

Please find enclosed a letter of response from the County of Los Angeles Department of Parks and Recreation. The letter was received subsequent to hearing package submittal to the Regional Planning Commission.

If you need further information, please contact Michele Bush at (213) 974-6435 or mbush@planning.lacounty.gov. Department office hours are Monday through Thursday from 7:00 a.m. to 6:00 p.m. The Department is closed on Fridays.

MM:MRB

Enclosure



COUNTY OF LOS ANGELES DEPARTMENT OF PARKS AND RECREATION

"Parks Make Life Better!"

John Wicker, Acting Director

February 18, 2016

Regional Planning Commission 150 Hall of Records 320 West Temple Street Los Angeles, CA 90012

Dear Honorable Commissioners:

PROJECT NUMBER R2014-02389-(4) CONDITIONAL USE PERMIT NUMBER 201400111

The County of Los Angeles Department of Parks and Recreation (Department) has reviewed the attached January 20, 2016, correspondence from Core Development Services (Core Letter) to the Los Angeles County Regional Planning Commission. This letter is meant to address several inaccuracies in the Core Letter based on the policies and practices of the Department.

To date, the Department has not had any substantive negotiations with Core Development Services or Verizon Wireless regarding any proposed Cell Tower at either Carolyn Rosas Park or Gloria Heer Park. An initial inquiry was made, which was responded to by outlining the Department's minimum requirements. These are: 1) A one-time contract development/processing fee of \$5,000; 2) Minimum rent of no less than \$5,000 per month; 3) Annual rent escalation of no less than 3.5 percent; and 4) Subletting/sublicensing/use of tower by another provider requires 50 percent of any consideration received to be forwarded to the Department.

Some of the contract provisions referenced in the Core Letter refer to site specific clauses, taken from a draft agreement, currently being negotiated regarding the cell tower at the John Anson Ford Amphitheatre (Ford). Specifically, the contract provisions concerning the relocation of the tower and the artwork project are specific to the Ford, due to a multi-million dollar expansion and are <u>not standard</u> cell tower provisions. Verizon is well aware of this fact. The contract provisions addressing the acceptance of the premises "as-is," indemnification, security deposit, entering the premises for inspection and a point person for the agreement are standard Department contracting provisions. The contract provisions regarding assignment, term and termination, as well as other provisions may be negotiated. However, as stated above, beyond an initial inquiry, there have been no discussions or negotiations where these provisions could have been discussed.

Regional Planning Commission February 18, 2016 Page 2

Should you have any questions, please feel free to contact me at (213) 738-2953 or Christopher W. Kinney, Administrative Services Manager II at (626) 821-4603 or by email at CKinney@parks.lacounty.gov.

Sincerely,

John Wicker Acting Director

JW:RAM:KEH CK:rc

Attachment

c: Christopher W. Kinney, DPR File (2)

January 20, 2016

Airtishted Age a for VVV

Los Angeles County Regional Planning Commission 320 W. Temple Street, Room 1350 Los Angeles, CA 90012

RE: Project No. R2014-02389-(4) - Conditional Use Permit No. 201400111 (RPC Meeting: January 20, 2016)

Dear Commissioners:

Per your request at the Planning Commission hearing on December 9th, 2015, below is a list of terms in the current Los Angeles County Parks and Recreation license agreement to which the parties, Verizon Wireless and County of Los Angeles Parks and Recreation, cannot agree. As stated at the December 9th hearing, while the monthly rent amount is exorbitantly high and a significant issue for Verizon, it is the cumulative impact of all of these lease terms that make entering into a lease agreement with Los Angeles County at either Carolyn Rosas Park or Gloria Heer Park unacceptable from a business standpoint.

- Rent is \$5,000 per month/\$60,000 per year. With the yearly escalation the County requires, rent will be \$9,948 by year 20.
- The County has the right to require Verizon to relocate its facilities at its sole discretion at any time at Verizon's cost (no notice period even specified).
- The County may terminate the agreement at any time following the initial 5-year term if the County deems termination is in its best interest. Verizon is provided only 180 days to vacate.
- If the County "causes construction" within the Premises, the County may relocate Verizon on one occasion after the 10th annual anniversary of the commencement date upon 6 months' notice. It will be at Verizon's cost.
- Verizon will take the Premises in its AS-IS condition
- The agreement provides for one-way indemnification only in favor of the County.
- Verizon many terminate the agreement at any time following the initial 5-year term
 provided that Verizon pay a 12-month termination fee or during the initial 5-year term if
 Verizon determines that the Premises is inappropriate or unnecessary for their

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operations but VZW must also pay the 12-month termination fee. At a minimum of year 6, said termination fee is \$71,256.

- The term of the lease is a 10 year term with one (1) 10-year renewal.
- Verizon must pay the County 50% of any sublease revenues.
- Verizon must pay a \$10,000 security deposit.
- The County may enter the Premises at any time upon 24 hours prior notice in the presence of a Verizon employee.
- The County's lease contains a non-standard Assignment provision. Should Verizon assign or transfer their agreement, they must pay a \$25,000 transfer fee or 50% of the gross sale price. If Verizon assigns, transfers or subleases in violation of the agreement, they must pay liquidated damages equal to 12-months of the then-current rent.
- Verizon must designate an employee as an "Operations Manager" with whom the County my deal within a daily basis.
- Unknown park improvements. Ex. In the Hollywood Bowl License Agreement, to which Verizon and the County of Los Angeles Parks and Recreation were working to come to renewal terms, the County is requiring Verizon to pay for an artwork project in the amount NO LESS THAN \$290,500 and up to \$350,000.

It is clear that when evaluated as a whole these lease terms present an unsustainable business plan for Verizon Wireless. As staff previously reported, the proposed facility at its current location complies with the County's Zoning Ordinance and is consistent with the County's General Plan and Rowland Heights Community Plan. Further, staff is of the opinion that the Burden of Proof has been met and all facts identified by Section 22.56.040 of the County Code have been substantiated. All other viable candidates have been thoroughly exhausted as previously documented and presented at the December 9th, 2015 hearing. On behalf of Verizon Wireless, I respectfully request your approval of this Conditional Use Permit.

Sincerely,

Maree Hoeger Zoning Manager

Agent for Verizon Wireless